SCHEDULE 9

Regulation 24

ADDITIONAL MILK PRODUCTS

1. The Minister shall award quota under regulation 24 to a producer whose application for such quota is received by the Minister on or before 11th November 1991.

Primary quota

- **2.** The Minister shall award quota (in this Schedule called "primary quota" to a producer who made sales of additional milk products in the calendar year 1990.
- **3.**—(1) The amount of primary quota shall be 90 per cent of the quantity (in this paragraph called "the base quantity") of additional milk products sold by the producer determined by the Minister in accordance with the following provisions of this paragraph.
- (2) The base quantity shall be, for each producer, the quantity of all additional milk products made from milk produced on his holding, and sold by him in one of the calendar years 1988, 1989 or 1990, whichever quantity is, in the opinion of the Minister, the greatest.
- (3) In determining the base quantity, the Minister shall take into account of evidence provided by the producer as to the quantities referred to in subparagraph (2) above.

Secondary quota

- **4.** The Minister shall establish from the national direct sales reserve an additional milk products development provision for the purpose of meeting awards of quota made under paragraph 5, and shall publish in the Gazette the amount of quota comprising that provision.
- **5.** The Minister shall award quota (in this Schedule called "secondary quota") from the additional milk products development provision in accordance with paragraphs 6 to 8 to a producer who before 1st March 1991—
 - (a) had expended money or had entered into a contract to expend money to establish, expand or improve facilities available to him for the production or increased production of additional milk products from milk produced on his holding; or
 - (b) had expended money or had entered into a contract to expend money to establish, expand or improve facilities available to him for the production or increased production from his own dairy enterprise of milk for the manufacture of additional milk products, and—
 - (i) had available facilities for the production of additional milk products from the extra volume of milk to be produced, or
 - (ii) had expended money or entered into a contract to expend money to establish such facilities for production, or
 - (iii) had entered into a contract for the production on his behalf of additional milk products from the extra volume of milk to be produced.
- 6.—(1) For the purposes of an award of secondary quota under paragraph 5, the Tribunal shall determine in respect of each producer—
 - (a) the quantity of additional milk products made from milk produced on his holding that might reasonably be expected to be produced annually using—
 - (i) the facilities available to the producer on 28th February 1991, and
 - (ii) the additional facilities expected to be available to the producer on 31st March 1992 by virtue of money expended or a contract entered into as mentioned in paragraph 5(a) and (b) before 1st March 1991;

- (b) the quantity of the additional milk products referred to in subparagraph (a) that might reasonably be expected to be sold by direct sale by the producer annually.
- (2) In making the determination referred to in subparagraph 1(b) the Tribunal shall have regard to the producer's established pattern of sales of additional milk products and to the producer's commitment to supply such products.
- (3) For the purposes of an award of secondary quota, the Tribunal may also determine in respect of each producer—

the quantity, or a part of the quantity, by which the sum of the producer's wholesale and direct sales quota (other than any primary quota awarded under paragraph 2), taking account of any wholesale and direct sales quota permanently or temporarily transferred by or to him since 28th February 1991, exceeds the quantity of the dairy produce other than additional milk products which that producer may be expected to sell by direct sale or deliver to a purchaser in the quota year ending on 31st March 1992,

if in the Tribunal's opinion it is fair and reasonable that such a quantity or a part of a quantity should be taken into account in making the award.

7. The Tribunal shall send to the Minister and to the producer a notification of its determination and a written statement of the reasons for that determination.

8. The Minister shall—

- (a) in respect of each determination made by the Tribunal under paragraph 6, deduct from the quantity referred to in paragraph 6(1)(b) the base quantity in respect of which any primary quota is awarded to the producer and the quantity or part of a quantity, if any, referred to in paragraph 6(3);
- (b) aggregate the quantities resulting from the calculations made under sub-paragraph (a) above in respect of all the producers who made applications in accordance with paragraph 1.
- (a) (a) If the aggregate determined under paragraph 8(b) exceeds the additional milk products development provision established under paragraph 4, the quota awarded to each producer under paragraph 5 shall be calculated by multiplying the quantity calculated under paragraph 8(a) relating to that producer by a fraction the numerator of which shall be the additional milk products development provision and the denominator of which shall be that aggregate.
- (b) If the said aggregate does not exceed the additional milk products development provision, the quota awarded to each producer under paragraph 5 shall represent 79.8 per cent of the quantity calculated under paragraph 8(a) relating to that producer, and any unallocated part of the additional milk products development provision shall be returned to the national direct sales reserve.

The Register

10. The Minister shall amend the direct sales register which is required to be maintained by regulation 28(1) of these Regulations so as to record the awards made under paragraphs 2 and 5 and shall inform each producer to whom an award relates in writing of that award.

Interpretation

- 11. In this Schedule—
 - (a) "quota" means direct sales quota, unless the context otherwise requires;
 - (b) "facilities" includes buildings, plant and equipment used for dairying purposes or for the manufacture of additional milk products but does not include land or cows; and

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(c) a reference to a quantity of additional milk products shall be taken to be a reference to the quantity of milk expressed in kilograms or litres (one kilogram being 0.97116 litres of milk), required to produce the additional milk products in question.